

CHAPTER 27**ARMY ANNEX****ARMY ACCOUNTING PROCEDURES FOR PRISONERS' PERSONAL
PROPERTY AND FUNDS****A. Overview**

1. **Purpose.** This annex prescribes a uniform system of accounting for prisoners' personal property and funds for all military confinement and correctional facilities that have been established to confine military prisoners under the provisions of AR 190-47, "The United States Army Corrections System" (reference (cf)).

2. **Policy.** The instructions contained herein specify guidance on unique Army processing requirements and procedures. This annex is not intended to supersede guidance contained in the basic text of this volume or any other law or regulation issued by higher authority. In any case where the guidance herein conflicts with instructions or directives of higher authority, the guidance of the higher authority shall prevail.

3. **Responsibilities**

a. The commanding officer of the confinement or correctional facility shall appoint an officer or Department of the Army (DA) civilian as the custodian of prisoners' personal property and funds. If the commanding officer also is the custodian, then the immediate superior of the commanding officer shall be the responsible commander.

b. The custodian shall be responsible for the receipt, safekeeping, disbursement, and accounting for the prisoners' personal property and funds and shall perform assigned duties under the direction of the appropriate commander.

4. **Transfer of Accountability.** In the absence of the custodian, an assistant custodian may be appointed.

a. When an assistant custodian is not appointed and the custodian is absent from the duty station for a period not exceeding 30 days, the responsible commander may appoint an acting custodian.

(1) The custodian shall receive a memorandum receipt in duplicate from the acting custodian for the prisoners' personal property and the personal deposit fund (PDF). The original shall be filed with the permanent records of the PDF and the duplicate kept by the custodian.

(2) On return of the prisoners' personal property and PDF from the acting custodian, the custodian shall sign both copies. The original shall be filed with the permanent records of the PDF and the duplicate kept by the acting custodian.

(3) Any changes in the status of the fund during the custodian's absence shall be reconciled with the memorandum receipt prior to the receipt by the custodian.

b. If the custodian is to be absent for a period exceeding 30 days, then the responsible commander shall appoint a new custodian.

(1) When a new custodian is appointed for any reason, the prisoners' personal property and the PDF shall be transferred on completion of the statements shown in Figures ARMY-1 and ARMY-2 included in this annex.

(2) Incoming and outgoing custodians shall reconcile jointly the fund balance with the individual accounts and accomplish an inventory of as many containers of personal property as deemed necessary, in the presence of the prisoners concerned.

(3) The statements shall be prepared in duplicate. The original shall be filed with the permanent records of the PDF and the outgoing custodian shall keep the duplicate.

B. Operating Procedures

1. Personal Deposit Fund

a. The PDF is a fund held in trust and consists of the personal funds of prisoners. Each prisoner shall be given the opportunity to establish a PDF. The account may be established by mail. Prisoners shall not be permitted access to other prisoners' PDFs or PDF records. The funds and property of hospitalized prisoners shall not be placed in the hospital patient's trust fund, but shall be maintained by the installation facility commander in accordance with this annex. Those items that a prisoner is permitted to keep, such as watches, jewelry, and religious articles, may be placed in the patient's trust fund for safekeeping during periods of hospitalization in accordance with AR 40-2, "The Army Medical Treatment Facilities: General Administration."

b. Receipt of Personal Money

(1) Receipt of personal money shall be handled in the following manner:

(a) All cash receipts shall be deposited intact in the name of the fund.

1 Daily cash receipts of less than \$50 may be kept until the total on hand amounts to \$200 or until 7 days have elapsed since the last deposit. In instances where the financial institution is located at a distance precluding daily deposits, separate deposits shall be prepared for each day's receipts and deposited in the financial institution as often as practical.

2 Receipts accumulated in excess of \$1,000 shall be deposited on the next business day.

3 Cash receipts shall be segregated physically from petty cash funds.

4 All receipts on hand at the end of the quarter shall be deposited not later than the first business day of the following month.

(b) Receipt of Checks (Procedures Apply to the Deposit of Physical Checks Received by Prisoners When in Confinement Status)

1 United States (U.S.) Government checks representing current pay and allowances shall be endorsed immediately for deposit to the fund and deposited promptly in the designated financial institution.

2 Other types of checks, including other U.S. Government checks, financial institution drafts, money orders, and personal and travelers checks, shall be endorsed and turned over to a bank designated by the prisoner for deposit to the prisoner's personal account or deposited in the fund account.

3 Personal checks shall be endorsed by the prisoner and deposited in the prisoner's personal account. If a prisoner refuses to endorse any check other than a personal check, then the custodian shall endorse it for-deposit-only to the prisoner's PDF account. Unendorsed personal checks shall be returned to the sender.

(c) Petty Cash Fund. Responsible commanders are authorized to establish a petty cash fund for prisoners' small purchases. (NOTE: See subparagraph B.1.c of this annex for withdrawal procedures.) The procedures described in AR 215-2 (reference (ch)) shall be used except that someone designated by the responsible commander, other than the petty cash fund custodian, shall perform the quarterly unannounced cash count. The petty cash fund amount shall be obtained from available balances in the prisoners' PDF account to be used as prescribed in subparagraph B.1.c, below. Deposits in excess of amounts covered by the federal deposit or share insurance shall be protected in accordance with AR 215-1 (reference (ci)).

(d) The prenumbered DA Form 1124 ("Individual Receipt Voucher Personal Deposit Fund") shall be prepared in triplicate for all funds received for deposit to the credit of prisoners in the PDF. The original shall be given to the prisoner as evidence that the funds have been received and have been credited to the individual's account. The first copy shall be kept temporarily in the receipt book until the receipts are sent to the accounting department. The last copy shall be kept in the receipt book. The copy furnished to the prisoners may be kept in their possession until released. If an error is made on a receipt voucher, then all three copies shall be voided and kept permanently in the receipt book. The custodian shall issue the receipt books to persons who are authorized to receive funds for deposit.

(e) Daily Receipt Accountability. At the close of business each day, the person receiving funds shall total all receipts recorded on the prenumbered DA Forms 1124 for the day and enter the total amount on DA Form 1125-R (“Summary Receipt and Disbursement Voucher Personal Deposit Fund”) as a one-line entry. All prenumbered DA Forms 1124 and receipts then shall be sent together with the prenumbered receipt book to the accounting department. After verifying the entries on DA Form 1125-R, the accounting department shall remove the copies of the individual receipt vouchers from the prenumbered receipt book and attach them to DA Form 1125-R. The prenumbered receipt books shall be returned to the employees who accepted the funds for deposit. A copy of DA Form 1125-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

(2) At the beginning of each year, the first voucher prepared (whether receipt and disbursement or petty cash) shall be assigned voucher number 1. Thereafter, all vouchers consecutively shall be numbered. (For example, if a summary receipt and disbursement voucher and the single voucher assigned to total petty cash disbursements for the day are prepared, these vouchers shall be numbered 1 and 2.) The provisions of subparagraph B.2.b of this annex shall be followed in batching and assigning a single voucher number to individual petty cash disbursements for each day.

(3) Prisoners’ accounts shall be reported as follows:

(a) At least quarterly, or when transferred or released, all prisoners shall be given the balance of their PDF on DA Form 1130-R (“Statement of Prisoner’s Personal Deposit Fund Account and Request for Withdrawal of Personal Funds”) or on a computer generated form with the same data. Prisoners who are confined to stockades for less than one quarter of a year shall be given the balance of their PDF only when they are transferred or released. Prisoners are responsible for bringing errors in their account balance to the PDF custodian’s attention. Any disagreement as to the balance on deposit shall be reconciled promptly by interview with the prisoner.

(b) Always use DA Form 1130-R when transferring a prisoner’s PDF to another confinement facility. On transfer, the final DA Form 1130-R shall be placed in the prisoner’s DA Form 201 (“Military Personnel Records Jacket, U.S. Army”) file for transfer to the gaining confinement facility. When funds are transferred, the number of the check transmitting the funds shall be shown on DA Form 1130-R. A copy of DA Form 1130-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

(4) When cash authorized for deposit to the fund is received after the prisoner’s release or transfer, post the amount in the receipt column on the original DA Form 1131-R (“Prisoner’s Cash Account--Personal Deposit Fund”). A payment shall be sent to the financial institution (or address) designated by the prisoner on release or transfer to another place of confinement. The DA Form 1131-R shall be closed by entering the amount of the in the expenditure column, leaving a zero balance. Checks, money orders, and so forth, received after

the prisoner's release or transfer shall be returned to the document originator with notice of the member's forwarding address. A copy of DA Form 1131-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

(5) When the collective prisoners' PDF received by the custodian does not exceed \$500, the fund custodian is authorized to keep the prisoners' personal fund deposits in the confinement facility safe or in another suitable depository. The funds shall be safeguarded adequately and shall be maintained and accounted for separately similar to a petty cash fund. Under no circumstances shall this fund be commingled with any petty cash funds or other funds utilized to pay expenses of the confinement facility.

c. Withdrawal of Personal Money

(1) The custodian shall receive all requests for fund expenditures from prisoners' accounts. All disbursements shall be made by check or draft drawn on the depository, including the establishment and replenishment of petty cash funds, except disbursements made from the petty cash fund and withdrawal of part or all of prisoners' deposit funds maintained at the confinement facility.

(a) The checks shall be numbered sequentially and controlled by the custodian. Spoiled and returned checks shall not be destroyed but shall be made nonnegotiable and filed in numerical sequence with canceled checks. Prenumbered voucher checks may be used when funds are available for the purchase of voucher checks.

(b) The fund custodian shall sign all checks. An authenticated copy of the custodian's signature shall be furnished to the depository financial institution as its authority to honor properly signed checks. Checks shall not be made payable to "cash" or "bearer," shall not be signed in advance, and shall not show any indication that the individual is or was a prisoner. Before signing any check, the fund custodian shall determine the validity of the voucher for which the check is intended for payment.

(c) All vouchers and supporting documents shall be stamped "paid" when the check is drawn and returned to the accounting department for recording and filing.

(d) All checks drawn, except those to replenish the petty cash fund, shall be totaled for the day and listed as a one-line entry on DA Form 1125-R. A separate check shall be drawn for replenishment of the petty cash fund, and the amount shall be entered on a separate line on DA Form 1125-R.

(e) The DA Form 1125-R shall be assigned a voucher number in the same sequence as other vouchers (see subparagraph B.1.b.(2), above).

(f) The balance of cash in the bank, as recorded on DA Form 1129-R (“Record of Prisoners’ Personal Deposit Fund”), shall be reconciled monthly with the balance as shown by the bank statement. A copy of DA Form 1129-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

(g) The DD Form 504 (“Request and Receipt for Health and Comfort Supplies”) shall be used for processing requests to purchase authorized health and comfort supplies. When cost of supplies is to be deducted from the individual’s military pay account, the prisoner’s unit personnel officer shall be supplied a copy of the DD Form 504.

(h) Requests for the purchase of other special items and for sending money home shall be made on DA Form 1130-R. The prisoner shall be notified when a requested expenditure from the account has been accomplished by sending a completed copy of DA Form 1130-R to the prisoner. The prisoner shall be permitted to keep this form until released. By combining it with the individual receipt vouchers, the amount of the balance on deposit in the PDF can be calculated.

(2) For withdrawal of personal funds, complete the DA Form 1130-R, as specified below.

(a) Block 1. The requesting individual shall indicate the amount to be withdrawn both in words and numbers and give the name, relationship (if individual), and address of authorized payee and specify the purpose of withdrawal. (NOTE: Items of clothing shall be an authorized expenditure when ordered in conjunction with release from confinement.)

(b) Block 2. Cadre members of the institution shall complete this block. The RECOMMEND APPROVAL (as required) blocks are designed for routing to obtain recommendations from other interested officials. Examples are an education officer, chaplain, and commandant for items not authorized specifically by local policy.

(c) Block 3. Individuals authorized by the commanding officer of the institution shall complete this block. Care shall be given to ensure that such authorized individuals are familiar with local command policies in regard to authorized expenditures.

(d) Block 4. The PDF section shall complete this block to inform the requesting individual that the withdrawal has been accomplished. Information shall include payee, amount, date paid, and voucher number (request number is optional).

(e) Block 5. The PDF section shall complete this block for the following reasons:

1 To give information regarding PDF balance following a withdrawal transaction or to notify individuals when their account has remained inactive for more than 90 days.

2 Upon transfer of the individual to another confinement institution. Indicate the amount of funds being transferred (balance of PDF account).

3 Upon release of the individual from confinement, indicating zero funds unless funds are left with the institution to be used for incurred debts such as shipment of personal property, payment of health and comfort items, or other authorized reasons.

(f) Blocks 6, 7, and 8. When the DA Form 1130-R has been completed for expenditure or for notification of account status, the PDF custodian shall enter the date, his or her typed name and title, and signature.

(g) Block 9. Individuals shall use this block to notify the fund custodian of possible errors in their accounts. They shall supply complete and accurate explanations of what they believe their account status to be. The fund custodian shall reply back to each individual with written notification providing complete and accurate accounts of the differences.

(3) Expenditures from the petty cash fund shall not exceed \$50 for any authorized expenditure except on the prisoner's release from confinement. If the prisoner's account does not exceed \$50 at the time of release, then payment of the entire amount may be made in cash. The petty cash fund cashier shall obtain a signed DA Form 1128 ("Petty Cash Voucher--Personal Deposit Fund") from persons to whom petty cash disbursements are made.

d. Transfer

(1) When a prisoner is transferred from one confinement facility to another, personal funds on deposit shall be transferred in the following manner:

(a) The custodian of the transferring confinement facility shall draw a check payable to the custodian of the PDF of the confinement facility to which the prisoner is being transferred with a notation on the face of the check: "For credit to the account of (name of prisoner)." At the time of the prisoner's transfer, the custodian shall send the check under seal with the guard.

(b) When a prisoner is being transferred to a federal institution, the check shall be made payable to the institution and noted: "For credit to the account of (name of prisoner)."

(c) When the transfer to a particular institution involves the funds of more than one prisoner, one check may be drawn to cover all personal moneys transmitted. A voucher listing the amount belonging to each prisoner shall be attached to the check.

(d) When prisoners are transferred from one Army installation to another for confinement, follow the procedures in subparagraphs B.1.d.(1)(b) and (c), above. The receiving installation shall acknowledge receipt of the check representing the funds.

(2) In cases when prisoners' personal funds are maintained at the confinement facility under the provisions in subparagraph B.1.b.(5) of this annex, the custodian shall obtain a check in exchange for cash from the supporting disbursing officer (DO) and follow the procedure set forth in subparagraph B.1.d.(1), above.

e. Levy by Internal Revenue Service (IRS). Under the provisions of section 6331, Internal Revenue Code of 1954 (68A Stat. 783; 26 USC 6331) (reference (cj)), a prisoner's personal funds on deposit in the prisoners' PDF are subject to levy by the IRS to satisfy delinquent income taxes due the federal government. In such instances, it is not necessary to obtain the prisoner's consent prior to making a withdrawal of personal funds. Upon presentation of TD Form IRS 668A ("Notice of Levy") to the custodian of the prisoners' PDF by an IRS official, give the prisoner an opportunity voluntarily to request withdrawal of funds to satisfy the indebtedness. If the prisoner refuses, the following procedures shall apply:

(1) The custodian shall ensure that enough copies of DA Form 1130-R are prepared, including a copy for delivery to the prisoner concerned. TD Form IRS 668A shall be used as a voucher, and the date and voucher number shall be entered in the lower right corner of the form. Appropriate entries shall be made on DA Form 1125-R, DA Form 1129-R, and DA Form 1131-R.

(2) A check in the amount indicated on TD Form IRS 668A or in the amount of the prisoner's funds on deposit, whichever is less, made payable to the IRS, shall be drawn, signed by the fund custodian, and delivered to the IRS official who served TD Form IRS 668A.

f. Investments, Donations, and Contributions. No part of the funds held in trust by the custodian may be used for loans or investment purposes. See subparagraph B.1.h of this annex for information on interest bearing bank accounts. No donation or contribution may be made from the fund or received by the fund. Prisoners may invest their moneys in excess of their needs per AR 190-47, paragraph 5-7b(3) (reference (ck)). Prisoners shall be advised of the value and benefit of such investments.

g. Overpayments. When a DO has made an erroneous payment to a military prisoner and the overpayment is not discovered until after the funds have been deposited in the prisoners' PDF account, a refund shall be obtained as prescribed in subparagraphs B.1.g.(1) and B.1.g.(2), below.

(1) The custodian shall furnish the prisoner a typed DA Form 1130-R covering the overpayment or the balance in the prisoner's account, whichever is less. This form shall serve as a notice and shall give the prisoner an opportunity voluntarily to request a withdrawal from the deposit fund account to refund the overpayment.

(2) If the prisoner does not sign voluntarily and return the withdrawal request, then the custodian shall prepare copies of DA Form 1130-R, including a copy for the prisoner, with a copy of the typed notice originally presented. When the request is properly accomplished and signed by the custodian, it shall be used for withdrawal of funds and as a voucher in support of the fund account. The withdrawal check, payable to the U.S. Treasury, shall be delivered to the DO concerned after appropriate entries have been made in the deposit fund records. When the check does not refund fully the overpayment, the DO shall be notified when the check is delivered that the prisoner's funds are insufficient to make full restitution.

h. Interest Bearing Bank Accounts. Funds held in trust by the custodian may accrue interest in interest bearing bank accounts. Interest earned on the account shall be distributed periodically to the prisoner's accounts on an equitable basis as determined by the commander or designee.

2. Record of Prisoners' PDF. The prisoners' DA Form 1129-R shall be maintained so that the current balance of the fund may be verified at any time. The sources of information for posting to this record are DA Form 1125-R and DA Form 1128 when reimbursed.

a. Cash in Bank Section. This section of DA Form 1129-R shall show the cash balance on deposit or in transit to the bank. At the end of each day, after DA Form 1125-R has been completed, an entry shall be made on DA Form 1129-R under receipts for the total amount shown on the voucher. In addition, the total amount of all checks drawn, as shown on DA Form 1125-R, shall be transferred to DA Form 1129-R and shall be posted under expenditures. Checks drawn to reimburse petty cash shall be entered as a separate one-line entry on DA Form 1125-R, as an expenditure in this section of DA Form 1129-R, and as a receipt in the petty cash section of DA Form 1129-R. The petty cash voucher numbers covered by each check shall be shown on the kept section of the check. The date of each entry and the respective voucher numbers shall be entered in the applicable columns. After each entry, the balance of cash in the bank shall be computed and entered under balance.

b. Petty Cash Section

(1) This section of DA Form 1129-R shall show the balance of the petty cash fund. As stated in subparagraph B.2.a, above, all cash received for reimbursement of the fund shall be entered under receipts.

(2) The DA Form 1128 has a prenumbered cashier receipt number for internal control purposes and includes a blank space for insertion of a daily voucher number. At the end of each day, individual petty cash vouchers shall be batched and assigned one voucher number. For example, if 30 individual petty cash disbursements are made during the day and voucher number 137 is assigned for petty cash vouchers for that day, each DA Form 1128 shall include voucher number 137. The total of the petty cash vouchers for the day shall be posted under expenditures. The balance in the deposit fund shall be computed and entered after each entry.

(3) Give the original DA Form 1128 to the prisoner. Transmit the first copy to the accounting department and the cashier retains the second copy.

c. Prisoner's PDF not exceeding \$500. The DA Form 1129-R shall be used as a control sheet in those cases when the funds are kept in the confinement facility's safe, as authorized in subparagraph B.1.b.(5), above.

3. Unexplained Overages

a. Enter all overages as a receipt to the cash-in-bank section of DA Form 1129-R. This entry shall be supported by the A Form 1125-R as a separate one-line entry. Enter complete explanation of the circumstances surrounding the overage in the remarks section of DA Form 1125-R.

b. Establish a "Dummy Account FYXX" using the DA Form 1131-R. In the blank for the name, show "unexplained overage." If a later investigation reveals an overage did not occur, reverse this entry by preparing DA Form 1125-R as a one-line entry, fully explaining the circumstances in the remarks section, and entering a disbursement in the cash-in-bank section of DA Form 1129-R. Reduce to zero the dummy account established on DA Form 1131-R.

c. The custodian shall close the dummy account using the DA Form 1131-R by entering the balance on deposit at fiscal year end in the expenditures column, leaving a balance of "None." The custodian shall authenticate this entry by signature. The document shall be stamped or annotated in writing with the words "account closed (date)." On dissolution of the PDF fund, transfer unexplained overages to the new fund into which the old fund is being merged. If the fund is not being merged into another fund, and all known outstanding claims against the fund have been settled, draw a check for the balance and send it to the nearest finance and accounting office for deposit in Payment of Unclaimed Moneys Account 20X6133. This disbursement shall be shown as a one-line entry on DA Form 1125-R and entered as a disbursement in the cash-in-bank section of DA Form 1129-R.

4. Prisoners' Cash Account

a. Maintain the DA Form 1131-R s for each prisoner having funds on deposit with the PDF. Post individual receipts and expenditures making up the totals shown on the DA Form 1125-R daily to the applicable prisoners' cash accounts under receipts and expenditures. Post petty cash vouchers to this form under expenditures. After all receipts and expenditures have been posted, the total of all the prisoners' DA Forms 1125-R plus overage amounts kept in the fund shall equal the amount shown in the balance column of the total section of the record of the prisoners' PDF. Close the account upon prisoner release or transfer by entering the balance on deposit in the expenditures column, leaving a balance of "None." The prisoner shall authenticate this entry by signature in the presence of the custodian. The custodian shall write or stamp the words "Account Closed (date)" following the last entry and shall sign next to this entry.

b. Hold the funds of an escaped prisoner for 1 year, then process them as an unexplained overage. The funds of deceased prisoners shall be disposed of in accordance with AR 638-1.

c. The United States Disciplinary Barracks (USDB) is granted the following exceptions to the above procedures concerning certifying and closing accounts:

(1) The USDB is authorized to use a PDF employee to authenticate the closing of a prisoner's account.

(2) The USDB is exempted from the requirement for a balance of "None" to be on DA Form 1131-R. The USDB is authorized to allow an encumbered balance to remain in the inmate's account past release or transfer date. When the encumbrance is removed, the custodian shall certify this action.

5. Personal Property

a. General

(1) On accession of a prisoner, inventory the prisoner's personal valuables (such as watches, rings (except a wedding band that the prisoner may keep), money, billfold, keys, and pens), and personal property listing everything on DA Form 1132-R ("Prisoner's Personal Property List--Personal Deposit Fund"). (Include officer uniforms and uniforms of enlisted members that are the personal property of the individual (uniforms in excess of initial allowances)). A copy of DA Form 1132-R is located at <http://www.usapa.army.mil/forms/>. It may be reproduced locally on 8 1/2 by 11-inch paper. Prepare as many copies of the DA Form 1132-R as are necessary for internal control purposes. At least an original and four copies shall be prepared with the following distribution:

(a) The custodian shall keep the original

(b) The prisoner shall keep one copy

(c) One copy shall be placed inside the container in which the personal valuables authorized for retention shall be held for safekeeping with one copy being affixed to the outside of this container

(d) One copy shall be filed in the supply room where personal property other than valuables is stored.

(2) When the property is placed in the container for personal valuables, the prisoner, the custodian, or an authorized representative, and a witness shall be present and sign all copies of the form. The prisoner shall close the container and sign across the

container's joined edge. The signature shall then be covered completely with clear cellulose tape. This sealing procedure is required only for the container storing personal valuables and not for containers in the supply room storing other personal property of a prisoner.

(3) Process subsequent receipts of personal property or valuables authorized for retention as prescribed for the original receipt.

(4) Under no circumstances shall prisoners be permitted access to personal property or personal property records of other prisoners.

b. Property for Shipment

(1) Ship personal property listed on the DA Form 1132-R to the prisoner's home or agent. With the prisoner's consent, the designated property may be shipped collect or the charges may be prepaid from the prisoner's account in the PDF.

(2) Prepare the DA Form 1133-R ("Personal Property Transmittal Slip--Personal Deposit Fund") in duplicate. (A copy of DA Form 1133-R is located at <http://www.usapa.army.mil/forms> and may be reproduced locally on 8 1/2 by 11-inch paper.) Mail the original DA Form 1133-R to the addressee for signature and return for the custodian's file. Hold the duplicate copy together with the express or mail receipt shall be held in suspense until the receipted copy is returned by the addressee.

c. Property to be Destroyed. Personal property that is listed on the prisoner's personal property list to be destroyed shall be destroyed under the supervision of the custodian. The prisoner shall authorize the destruction by signing the DA Form 1132-R. The custodian shall acknowledge the accomplishment of the action taken by signing DA Form 1132-R.

d. Postage. Handle postage in accordance with AR 190-47.

e. Withdrawal of Personal Property

(1) When a prisoner desires to withdraw an item of personal property for use, prepare the DA Form 1134-R ("Request for Withdrawal of Personal Property") stating the item requested and the reason for withdrawal. A copy of DA Form 1134-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

(2) On approval of the request, open the property container in the presence of the prisoner, the custodian or an authorized representative, and a witness. Affix the respective signatures of each on all copies of the prisoner's personal property list after the appropriate entry indicating the withdrawal has been made.

(3) The prisoner shall seal the container when the withdrawal includes personal valuables and shall sign as prescribed in subparagraph B.5.a, above.

(4) Prepare the DA Form 1135-R (“Personal Property Permit”) authorizing the prisoner to keep the withdrawn property. A copy of DA Form 1135-R is located at <http://www.usapa.army.mil/forms/> and may be reproduced locally on 8 1/2 by 11-inch paper.

f. Transfer of Prisoners. When prisoners are transferred from one confinement facility to another, send a copy of DA Form 1132-R and the personal property container with the copy of DA Form 1132-R affixed to the outside with the accompanying guard at the time of transfer. The guard shall sign a receipt, in duplicate, listing the containers of the prisoners being transferred. The receipt shall include a statement that the cellulose tape and signatures of the prisoners on the containers indicate the containers have not been opened without the prisoners’ knowledge. The custodian of property at the transferring facility shall keep the receipt original. Deliver the receipt duplicate to the custodian of property at the receiving facility.

g. Escaped or Deceased Prisoner. Dispose of the personal property of an escaped or deceased prisoner in accordance with AR 630-10, AR 638-1, or AR 700-84, as appropriate. An independent individual shall be appointed by the commandant or installation commander, as appropriate, to audit and sign the prisoner’s personal property record for the prisoner.

h. Discharge or Transfer of Mentally Incompetent Prisoners. On determination by medical authorities that the prisoner is mentally incompetent and is to be processed through medical channels, the custodian of prisoners’ property and funds shall send the prisoner’s funds and personal property to the custodian of the patients’ trust fund at the hospital. On the day of the prisoner’s departure from the hospital or expiration of sentence, the custodian of the patients’ trust fund at the hospital shall make and sign a separate inventory, in triplicate, of the prisoner’s money and of the valuables on deposit in the personal property fund.

(1) Transmit any of the prisoner’s money on deposit in the patients’ trust fund account by check drawn against the prisoner’s account and made payable to the order of the individual assuming custody, as shown below.

(a) The proper official of the civilian or government institution
or agency

(b) Legally appointed guardian

(c) Relative when legal guardian has not been appointed

(d) Custodian of patients’ trust fund.

(2) Give two copies of the inventory listing the prisoner’s funds to the receiver listed in subparagraphs B.5.h.(1).(a) through B.5.h.(1).(c), above, at the time of discharge or transfer, with a request that one copy of the inventory be signed and returned to the custodian.

(3) The custodian shall send two copies of the inventory listing the prisoner's valuables (together with the valuables) by registered mail, return receipt requested, to the appropriate individual with a request that one copy of the inventory be signed and returned.

(4) If a guardian has been appointed, then turn over the prisoner's money and valuables to the guardian on presentation of proper evidence of the appointment as guardian in accordance with subparagraphs B.5.h.(1) and B.5.h.(2), above.

(5) Identify relatives properly and ensure that they attest that no legal guardian has been appointed, except when the relative has been appointed legally as a guardian; then apply the procedure in subparagraph B.5.h.(4), above.

(6) When checks are drawn as authorized in this paragraph, such checks shall have written plainly on the face: "Credit account of (name of prisoner)."

6. Disposition of Forms. Disposition of documents comprising prisoners' personal property and fund files shall be governed by file number "720-12, Prisoner Personal Property and Fund Files," as prescribed in AR 340-18, Appendix H (reference (cl)).

7. Outstanding Checks

a. When checks drawn on the PDF are outstanding for 6 months and it has been confirmed that the payee has not received the checks, the procedures below shall be followed:

(1) Schedule outstanding checks in three copies showing check number, payee, and date.

(a) Attach one copy of the schedule to the DA Form 1125-R and enter as a receipt on DA Form 1129-R.

(b) Enter the total amount of the checks on the DA Form 1131-R, with the second copy of schedule of checks attached. Use the latter amount to reconcile with the balance on DA Form 1129-R.

(c) Send the third copy to the bank with a request to stop payment on the checks.

(2) When the confirmation of the stop payment notice has been received from the bank, draw a replacement check for the amount of any outstanding checks. If the prisoner requests a stop payment, then any service charge levied by the banking institution shall be paid from the prisoner's personal funds. Fund balances in the local banking institution shall preclude other direct charges or fees. (See subparagraph B.7.d, below.)

(3) If the outstanding checks have not been found or presented to the bank for payment, then the custodian shall check with the bank officials where the fund is

maintained to determine what is required to ensure the outstanding checks cannot be negotiated at a later date.

b. When a confinement facility is closed, immediately process checks outstanding for more than 30 days as stated in subparagraph B.7.a, above, after confirming with the payee that the check was not received. This closes out the prisoner's PDF. Inform payees that the original check, if received at a later date, is not negotiable and shall be returned. Successor custodians may be appointed if required to effect satisfactory closing of the prisoners' PDF account.

c. When a check is returned prior to the release of a prisoner, it shall be voided if unclaimed for 1 month past the issue date. When the check is voided, it shall be listed on DA Form 1125-R and postings made to the receipt columns of DA Form 1129-R and DA Form 1131-R. When a check is returned as undeliverable, subsequent to release of a prisoner, it shall be voided and removed from the schedule of outstanding checks. DA Form 1125-R shall be prepared and posting made to the receipt columns of DA Form 1129-R and DA Form 1131-R. If request for payment is made within 1 year from the date of the check, then another check shall be drawn and posting made to the expenditures column of DA Form 1131-R. If request for payment is not made within 1 year, then a check shall be drawn and sent to the nearest finance and accounting office for deposit into Payment of Unclaimed Moneys Account 20X6133 and posting made to the expenditures column of DA Form 1131-R.

d. The custodian shall work closely with the installation banking liaison officer and with financial institution officials in determining the services and the terms and conditions under which the services are rendered. Service charges or fees levied by financial institution on DoD installations are discussed in [Volume 5, Chapter 34](#), of this Regulation.

8. Loss of Funds or Valuables. When a shortage in the funds has been determined, the custodian or auditing officer making the finding shall make a report in writing to the installation commander. In those instances when the shortage exceeds \$250, an information copy of the report shall be furnished to Headquarters Department of the Army (HQDA). The commander shall require an investigation of the alleged shortage and shall review and take action on reports of investigation in accordance with the procedures described in AR 215-1 (reference (ci)) and in AR 15-6 (reference (cm)).

a. If the loss is identified as a previously reported unexplained overage deposited in Payment of Unclaimed Moneys Account 20X6133, in accordance with subparagraph B.3, above, then it shall be recovered from the deposit fund in accordance with subparagraph B.9, below.

b. If it is determined that the loss is due to the fault or negligence of one or more identifiable individuals, the commander shall take appropriate steps to recover the loss from the responsible individuals. If the loss is uncollectible, then the commander shall send a request to reimburse the fund from appropriated funds under Title 31, United States Code (U.S.C.), section 3530 (reference (e)). The request shall include details concerning the loss and reasons why the loss is uncollectible, and shall identify the appropriated fund from which reimbursement is recommended.

c. If the loss cannot be reimbursed under 31 U.S.C. 3530 (reference (e)), as detailed in subparagraph B.8.b, above, the loss shall be recovered by constructively liquidating the fund and initiating a claim or claims against the government per AR 27-20, chapter 11 (reference (cn)). This may be accomplished by listing the prisoners and posting opposite each name the amount available from the fund for payment. The last prisoner or two on the list would become the person or persons whose money is missing. The person who has been selected shall be notified, his or her signature obtained on DD Form 1842 ("Claim for Personal Property Against the United States"), and the claim adjudicated per AR 27-20 (reference (cn)). The process used for determining the order of the list of names shall ensure that the person selected to execute the claim shall remain at the confinement facility long enough to allow for claims processing. This shall prevent any undue financial hardship on the person at the time of discharge.

9. Claims. Send claims for return of personal funds deposited to Payment of Unclaimed Moneys Account 20X6133, in accordance with subparagraphs B.3 and B.8.a, above, to the nearest Defense Military Pay Office (DMPO). The DMPO shall send the claim to the Defense Finance and Accounting Service Indianapolis where the claim will be processed and sent to the Department of the Treasury for payment.

C. Reports and Audits

1. Prisoners' PDF Activity Report

a. Purpose. The prisoners' PDF activity report shall identify the responsible commander with the status of the prisoners' PDFs.

b. Preparing Agencies. The report shall be prepared by all custodians of prisoners' PDFs.

c. Frequency, Period Covered, and Due Date. The report shall be prepared as of the end of each month on or before the 10th working day of the succeeding month. If requested, then this report may be prepared daily for internal control purposes.

d. Number of Copies and Routing. As a minimum, the report shall be prepared in original and one copy. The original shall be sent to the responsible commander and the duplicate kept by the custodian.

e. Format Identification and Supply. Prepare the monthly activity report using the format in Figure ARMY-3 of this annex. The format may be modified depending on local conditions.

f. Source of Data. Prepare the report from a daily summarization, corresponding with the classifications shown in the report, of the information contained on DA Form 1125-R.

2. Audit. Audit the fund when deemed necessary by the local commander. It is suggested the standards and procedures in AR 36-75 (reference (co)) be incorporated into the audit program.

STATEMENT OF OUTGOING CUSTODIAN (SAMPLE)

I have this (number) day of (month and year), transferred to (name and grade), the new custodian appointed by orders (number), HQ (organization), dated (date), (\$ amount) on deposit to the credit of the personal deposit fund in (name of bank) and all items listed in the RETAINED column of the prisoners' personal property lists.

(signature)

Figure 1-ARMY-1

STATEMENT OF NEW CUSTODIAN (SAMPLE)

I have, this (number) day of (month and year), received from (name and grade) the sum of (\$amount), representing the balances due prisoners, together with the personal effects as listed on the individual accounts sheets in the RETAINED column of the prisoners' personal property lists, of all prisoners in confinement as of this date at (time) hours, and I hereby relieve the outgoing custodian from all responsibility for the same.

(signature)

Figure 1-ARMY-2

**(FORMAT) PRISONERS' PERSONAL DEPOSIT FUND
MONTHLY ACTIVITY REPORT**

| | |
|--|-------------------|
| Fort Stockade | |
| Analysis of Receipts and Expenditures | |
| For the month ended (month-day-year) | |
| Balance as of (first day of current month (month-day-year)) | \$xxx.xx |
| Receipts | |
| Add receipts: | |
| New Prisoners (show total only) | \$xxx.xx |
| Other (itemize) | <u>xx.xx</u> |
| Subtotal | <u>\$xxx.xx</u> |
| Beginning balance plus receipts | \$xxx.xx |
| Expenditures | |
| Less Expenditures: | |
| Refund to discharged prisoners (total) | \$xxx.xx |
| Transferred prisoners (total) | xxx.xx |
| Purchase for prisoners (total) | xxx.xx |
| Money withdrawals for prisoners (total) | xxx.xx |
| Other (itemize) | <u>xxx.xx</u> |
| Total expenditures | <u>\$xxx.xx</u> |
| Balance as of (last day of reporting month (month-day-year)) | <u>\$x,xxx.xx</u> |
| Analysis of Fund Balance | |
| Cash in bank | \$x,xxx.xx |
| Cash on hand (undeposited receipts) | xxx.xx |
| Petty Cash | <u>xx.xx</u> |
| Total | <u>\$x,xxx.xx</u> |

Figure 1-ARMY-3